

SENATE BILL 487

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HB 1111/02 - CGM

2003 Regular Session
3r1237
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By: **Senator Pipkin**

Introduced and read first time: January 31, 2003

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Telecommunication and Computer Network Access - Underserved Areas**

3 FOR the purpose of altering certain provisions relating to a certain State
4 telecommunication and computer network under the Department of Budget and
5 Management; providing for access to a certain telecommunication and computer
6 network by certain persons; providing for the construction of certain network
7 facilities in areas where existing commercial access is lacking; providing for
8 certain points of presence in certain areas in a certain manner; requiring the
9 Department to consult and coordinate with certain agencies and entities for
10 certain purposes; declaring the intent of the General Assembly; requiring the
11 Department of Business and Economic Development and the Department of
12 Budget and Management to undertake certain actions by certain dates and to
13 report to the General Assembly on certain actions by a certain date; and
14 generally relating to telecommunication and computer networking and
15 underserved areas.

16 BY repealing and reenacting, with amendments,
17 Article - State Finance and Procurement
18 Section 3-702 and 3-705
19 Annotated Code of Maryland
20 (2001 Replacement Volume and 2002 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article - State Finance and Procurement**

24 3-702.

25 (a) The Department shall:

26 (1) coordinate the development, procurement, management and
27 operation of telecommunication equipment, systems, and services by State
28 government, BOTH BY DIRECT ACQUISITION AND BY USE OF OTHER PUBLIC AND
29 PRIVATE INFRASTRUCTURE;

1 (2) acquire and manage common user telecommunication equipment,
2 systems, [or] AND services and [charge] PROVIDE A STANDARD INTERFACE FOR
3 COMMON BACKBONE SERVICES AT A FLAT RATE TO units of State government [for
4 their proportionate share of the costs of installation, maintenance, and operation of
5 the common user telecommunication equipment, systems, or services] AND MAKE
6 SUPPLEMENTAL INTENSIVE HIGH-BANDWIDTH SERVICES AVAILABLE TO THOSE
7 UNITS AT ADDITIONAL COST;

8 (3) promote compatibility of telecommunication systems by developing
9 policies, procedures, and standards for the acquisition and use of telecommunication
10 equipment, systems, and services by units of State government;

11 (4) coordinate State government telecommunication systems and
12 services by reviewing requests by units of State government for telecommunication
13 equipment, systems, or services;

14 (5) advise units of State government about planning, acquisition, and
15 operation of telecommunication equipment, systems, or services; and

16 (6) provide radio frequency coordination for State and local governments
17 in accordance with regulations of the Federal Communications Commission.

18 (b) The Department [may] SHALL make arrangement for [a user] ALL USERS
19 other than a unit of State government to have access to and use of State
20 telecommunication equipment, systems, and [services and shall charge the user any
21 appropriate amount to cover the cost of installation, maintenance, and operation of
22 the telecommunication equipment, system, or service provided] SERVICES:

23 (1) OFFERING TO LOCAL GOVERNMENTS AND THEIR UNITS A PLATFORM
24 OF BACKBONE SERVICES ON A STANDARD SCHEDULE OF FLAT RATES, AND MAKING
25 SUPPLEMENTAL INTENSIVE HIGH-BANDWIDTH SERVICES AVAILABLE TO THOSE
26 GOVERNMENTS AND UNITS AT ADDITIONAL COST; AND

27 (2) OFFERING BROADBAND SERVICES, INCLUDING SUPPLEMENTAL
28 INTENSIVE HIGH-BANDWIDTH SERVICES, AVAILABLE TO OTHER USERS ACCORDING
29 TO AN APPROPRIATE SCHEDULE OF CHARGES OR USING ANY OTHER APPROPRIATE
30 METHOD TO RECOVER THE COSTS OF PROVIDING SERVICES TO THESE USERS.

31 3-705.

32 (a) The General Assembly declares that:

33 (1) it is the policy of the State to foster BROADBAND telecommunication
34 and computer networking [among State and local governments, their agencies, and
35 educational institutions in] THROUGHOUT the State;

36 (2) the current alignment of [interagency and educational]
37 telecommunication and computer networking in the State, based in part on the
38 arrangement of Local Access and Transport Areas (LATAs), does not serve all areas of
39 the State equally, but instead creates a disparity between rural and urban regions;

1 (3) rates for the intrastate inter-LATA telephone communications
2 needed for effective integration of telecommunication and computer resources are
3 prohibitive for many smaller governments, agencies, and [institutions] OTHER
4 PERSONS;

5 (4) there is a need to improve access, especially in rural areas, to
6 efficient telecommunication and computer network connections;

7 (5) IMPROVED ACCESS TO HIGH-SPEED TELECOMMUNICATION AND
8 COMPUTER NETWORKING CONNECTIONS IN DESIGNATED GROWTH AREAS,
9 PARTICULARLY IN UNSERVED AND UNDERSERVED PARTS OF THE STATE, WILL
10 FOSTER ECONOMIC DEVELOPMENT IN APPROPRIATE AREAS, FURTHERING THE GOAL
11 OF EQUITABLE DEVELOPMENT IN THE STATE BY:

12 (I) PROMOTING LOW-IMPACT ECONOMIC DEVELOPMENT THAT
13 WILL REQUIRE LITTLE ADDITIONAL TRADITIONAL CAPITAL INFRASTRUCTURE AND
14 CONSUMPTION OF LAND; AND

15 (II) ASSISTING COMMUNITY LEGACY AND REVITALIZATION
16 EFFORTS IN CURRENT POPULATION CENTERS OF UNSERVED AND UNDERSERVED
17 AREAS THROUGH PROMOTING REINVESTMENT IN THESE COMMUNITIES,
18 FACILITATING THE REUSE OF EXISTING BUILDINGS AND STRUCTURES IN THESE
19 COMMUNITIES, AND DRAWING EMPLOYEES FROM THE COMMUNITIES AND THEIR
20 ENVIRONS;

21 (6) improvement of telecommunication and computer networking [for
22 State and local governments and educational institutions] UNDER THIS SECTION
23 promotes economic development, educational resource use and development, and
24 efficiency in State and local administration; and

25 [(6)] (7) the use of improved State telecommunication and computer
26 networking under this section is intended not to compete with commercial access to
27 advanced network technology, but rather to COMPLEMENT IT WHERE IT EXISTS, TO
28 PROVIDE ACCESS WHERE COMMERCIAL ACCESS IS LACKING, AND TO foster
29 fundamental efficiencies in government and education for the public good.

30 (b) (1) The Department shall establish a telecommunication and computer
31 network in the State.

32 (2) The network shall consist of:

33 (i) one or more connection facilities for telecommunication and
34 computer connection in each LATA in the State, SITED TO PROVIDE SUITABLE
35 ACCESS FOR RURAL AS WELL AS URBAN AND SUBURBAN AREAS;

36 (ii) a backbone comprising one or more inter-LATA fiber-optic
37 links between each telecommunication facility, using a failure-resistant architecture,
38 and adhering to [the DS3 standard or better] CURRENT COMMERCIAL BROADBAND
39 STANDARDS, to allow SUFFICIENT communication rates [of at least 45 megabits per
40 second,] and multiplexing for transmission of video, voice, and data;

1 (III) ON REQUEST OF A COUNTY OR MUNICIPAL CORPORATION,
2 POINTS OF PRESENCE IN GROWTH AREAS, AS DESIGNATED IN THE COUNTY OR
3 MUNICIPAL MASTER PLAN, THAT ARE ADJACENT TO THE BACKBONE; and

4 [(iii)] (IV) facilities, auxiliary equipment, and services required to
5 support the network in a reliable and secure manner.

6 (C) IN PLANNING THE INSTALLATION AND EXPANSION OF THE NETWORK,
7 THE DEPARTMENT SHALL CONSULT AND COORDINATE WITH OTHER STATE UNITS,
8 COUNTIES, MUNICIPAL CORPORATIONS, AND PUBLIC AND PRIVATE UTILITIES IN
9 ORDER TO:

10 (1) IDENTIFY AND CONSOLIDATE DEMAND FOR BROADBAND SERVICES
11 IN THE VARIOUS REGIONS OF THE STATE;

12 (2) IDENTIFY UNUSED CAPACITY IN EXISTING FACILITIES; AND

13 (3) PLAN THE OPTIMAL LOCATION OF POINTS OF PRESENCE IN EACH
14 LATA IN THE STATE.

15 [(c)] (D) The network shall be accessible through direct connection and
16 through local intra-LATA telecommunications to State and local governments and
17 public and private educational institutions in the State.

18 SECTION 2. AND BE IT FURTHER ENACTED, That:

19 (a) On or before July 1, 2004, the Department of Business and Economic
20 Development shall identify existing and significant potential demand for access to
21 high-speed telecommunication and data transmission services facilities in
22 underserved rural areas of the State, in consultation with local government officials,
23 existing businesses, and existing regional and local consortia and other groups
24 involved with high-technology economic development in those areas;

25 (b) On or before July 1, 2004, the Department of Budget and Management
26 shall explore expansion of high-speed telecommunication and data transmission
27 capacity, including fiber-optic cable and competing technologies, into underserved
28 rural areas that have existing and significant potential demand for the capacity
29 afforded by fiber-optic cable and competing technologies associated with State and
30 local economic development, by expansion of the State backbone and network under §
31 3-705 of the State Finance and Procurement Article, through other
32 Net.Work.Maryland or successor initiatives, or through other public-private
33 cooperation with commercial providers of high-speed telecommunication and data
34 transmission services, and shall also explore alternative models for delivering these
35 services in underserved rural areas;

36 (c) On or before January 1, 2005, the Department of Business and Economic
37 Development, in consultation with the Department of Budget and Management, shall
38 facilitate the expansion of high-speed telecommunication and data transmission
39 services and facilities into underserved rural areas of the State by matching existing

1 and significant potential demand with private and public providers of these services
2 and facilities; and

3 (d) On or before January 1, 2004, the Department of Business and Economic
4 Development and the Department of Budget and Management shall report jointly,
5 subject to § 2-1246 of the State Government Article, to the General Assembly on their
6 progress in complying with this section.

7 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 July 1, 2003.